GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1789
ANSWERED ON:12.12.2003
BRANCHES OF REGIONAL RURAL BANKS
V. VETRISELVAN

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has shifted the branches of some RRBs from rural areas tocities thus depriving the poor farmers of its benefits;

(b) if so, the reasons therefor; and

(c) the measures taken by the Government to protect the farmers and the poor and to retain branches of these banks in the rural parts of the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL):

(a) to (c) The Reserve Bank of India considers requests of Regional Rural Banks (RRBs) forshifting/ merger/ relocation of its loss making branches within the service area of the respective branches with the objective of building them up as sustainable rural financial institutions. Loss making branches of RRBs have also been allowed to be converted intosatellite/mobile offices without impairing their performance of service area obligations. National Bank fur Agricultural and Rural Development (NABARD) has reported that branches of RRBs have not been shifted from rural areas to urban areas.